

REGISTERED COMPANY NUMBER: 03040336 (England and Wales)  
REGISTERED CHARITY NUMBER: 1046614

REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31ST DECEMBER 2013  
FOR  
LLANGOLLEN RAILWAY TRUST LIMITED

THURSDAY



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17/04/2014

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COMPANIES HOUSE

M. D. Coxey and Co. Limited  
Chartered Accountants  
25 Grosvenor Road  
Wrexham  
LL11 1BT

LLANGOLLEN RAILWAY TRUST LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2013

|                                   | Page    |
|-----------------------------------|---------|
| Report of the Trustees            | 1 to 3  |
| Independent Examiner's Report     | 4       |
| Statement of Financial Activities | 5       |
| Balance Sheet                     | 6 to 7  |
| Notes to the Financial Statements | 8 to 13 |

**LLANGOLLEN RAILWAY TRUST LIMITED**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31ST DECEMBER 2013**

The trustees who are also directors of the charity for the purpose of the companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2013.

This report has been prepared in accordance with the small company regime of the Companies Act 2006. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) Accounting and reporting by Charities 2011. The trustees have complied with the duty in section 17(5) of the 2011 Charities Act.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
03040336 (England and Wales)

**Registered Charity number**  
1046614

**Registered office**  
The Station  
Abbey Road  
Llangollen  
Denbighshire  
LL20 8SN

|                 |                     |
|-----------------|---------------------|
| <b>Trustees</b> |                     |
| W N Evans       |                     |
| P H Freeth      | - appointed 3.11.13 |
| P H Freeth      | - resigned 6.4.13   |
| J A Ritchie     |                     |
| E A Harland     |                     |
| P D Lund        |                     |
| DJG Rowe        | - resigned 10.4.13  |
| P K Evans       | - appointed 3.11.13 |
| G J Hoyland     | - appointed 3.11.13 |

**Company Secretary**

**Independent examiner**  
P W McVeigh F.C.A.  
Chartered Accountant  
M. D. Coxey and Co. Limited  
Chartered Accountants  
25 Grosvenor Road  
Wrexham  
LL11 1BT

**Bankers**  
National Westminster Bank Plc  
38 Castle street  
Llangollen  
Denbighshire  
LL20 8NH

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

Llangollen Railway Trust Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 6th March 1995. It is registered as a charity with the Charity Commission, number 1046614. Anyone over the age of 18 can become a member of the company. Each member agrees to contribute £1 in the event of the charity being wound up.

## LLANGOLLEN RAILWAY TRUST LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2013

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Appointment of new trustees**

As set out in the Articles of Association one third of the directors retire by rotation, and shall if they so wish offer themselves for re-election. The trustees have the power to co-opt such trustee as they see fit, such trustees co-opted shall be appointed until the following AGM, where they may stand for reappointment.

##### **Induction and training of new trustees**

New trustees undergo a training process to explain to them their statutory obligations under charity and company law, the Memorandum and Articles of Association, the organisational structure and decision making process. Trustees are encouraged to attend suitable external events, where these will enhance the substance and quality of their role. All trustees, both existing and newly appointed, are required to confirm that they have read and understood, the Charity Commission booklet CC3A, "The essential trustee" and CC3 "The essential trustee, what you need to know".

##### **Organisational structure**

The board of trustees, which shall number a minimum of four with no maximum numbers, administers the charity, the board meets between six and ten times a year.

##### **Public benefit statement**

The railway has a very high profile both locally and nationally and its interaction with the public is crucial.

The public benefit in many ways by the railway's presence both as a leisure and educational experience.

The line first opened in the 1800's and is operated on 21st century standards in a way that in addition to being educational allows a fun and safe experience, knowing that participation is helping to preserve real history for the future.

The railway is open to all either on a visitor level or as an opportunity to volunteer as a working member. "Everyone is welcome" has always been a cornerstone of the railway's philosophy and since restoration started over thirty years ago, it has provided life-enhancing and life-changing experience for innumerable people both nationally and internationally.

The railway also has a significant effect on the local economy both in employment it provides and also the number of visitors it attracts to Llangollen and beyond.

##### **Related parties**

The charity has a 25.9% holding in Llangollen Railway Plc and is the holding company of Llangollen and Corwen Railway (Trading) Limited.

All three companies have a degree of common stewardship and are all professionally involved in the promotion of the railway with their members, the general public and local government.

##### **Risk management**

The trustees have a risk management strategy which comprises a formal review of the risks faced and the development and implementation of procedures designed to mitigate the effects of those risks should they materialise. A formal review of the risks facing the charity is undertaken annually.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The objectives of the charity are to support the restoration and preservation of the Llangollen Railway for the benefit of the public.

The main objectives for the year continue to be:-

- The management, maintenance and restoration of a heritage railway.
- The development of the line towards Corwen.
- The production of Steam at Llangollen, the in house magazine of the railway.
- The encouragement of volunteer activity in support of the above aims.

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2013

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

We have made great progress with extending the line towards Corwen and we are nearly there. Further progress is now dependent upon additional fundraising however. We have been able to run some passenger trains to Bonwm at special events which stokes the anticipation for 2014 and beyond. We continue to be grateful to the volunteers, also with the assistance of paid staff of the PLC, for the clearing of vegetation, fencing, digging of culverts and tracklaying.

Many members of the Trust, shareholders of Llangollen Railway PLC, and visitors to the Railway from near and far have contributed to fundraising efforts. We have had good support too from local people and businesses in Llangollen, Corwen and the local area generally. We are grateful to all. However, we still need to raise further monies to complete the works required to get us to Corwen.

In terms of normal activities, we continue to receive very useful hire income for Jennifer and Austin 1, and the Berwyn station house continues to enjoy a good level of holiday bookings.

The trustees are also pleased to report that volunteer retention and recruitment held up well, and that our quarterly magazine "Steam at Llangollen" was produced and distributed on time to all members.

**Investment performance**

The Trustees consider the performance of Llangollen Railway Plc and Llangollen & Corwen Railway (Trading) Limited in the year ended 31st December 2013 to be satisfactory.

**FINANCIAL REVIEW**

**Reserves policy**

The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are needed to bridge funding gaps and also cater for unforeseen events, and special projects arising. The trustees consider that the minimum level of reserves to be held is £65,000.

The trustees review the minimum level of reserves needed on a regular basis.

**Investment policy and objectives**

Where surplus funds arise these are invested in short term interest bearing deposit accounts.

The investments held by the trust are not for profitable returns.

**FUTURE DEVELOPMENTS**

Efforts will be focused on the works necessary to lay the track for the extension to Corwen, do the associated fencing etc and build the new temporary station at Corwen.

The trustees as always are keen to extend the membership of the Trust and hence the volunteer base. The trustees will continue to promote volunteer recruitment across the whole spectrum of society, and are keen that the volunteer base reflects this.

The report has been

**ON BEHALF OF THE BOARD:**



P D Lund - Trustee

14<sup>th</sup> March 2014

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF**  
**LLANGOLLEN RAILWAY TRUST LIMITED**

I report on the accounts for the year ended 31st December 2013 set out on pages five to thirteen.

**Respective responsibilities of trustees and examiner**

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

**Basis of the independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

P W McVeigh F.C.A.  
Chartered Accountant  
M. D. Coxey and Co. Limited  
Chartered Accountants  
25 Grosvenor Road  
Wrexham  
LL11 1BT

Date: 14<sup>th</sup> March 2014

**LLANGOLLEN RAILWAY TRUST LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31ST DECEMBER 2013**

|   |           | Unrestricted<br>fund | Restricted<br>fund | 31.12.13<br>Total funds | 31.12.12<br>Total funds |
|---|-----------|----------------------|--------------------|-------------------------|-------------------------|
|   | Not<br>es | £                    | £                  | £                       | £                       |
| <b>INCOMING RESOURCES</b>                                     |           |                      |                    |                         |                         |
| <b>Incoming resources from generated funds</b>                |           |                      |                    |                         |                         |
| Donations and grants  | 2         | 10,026               | 107,266            | 117,292                 | 203,883                 |
| Activities for generating funds                               | 3         | 59,366               | -                  | 59,366                  | 79,841                  |
| Investment income   | 4         | 73                   | -                  | 73                      | 19                      |
| <b>Total incoming resources</b>                               |           | <b>69,465</b>        | <b>107,266</b>     | <b>176,731</b>          | <b>283,743</b>          |
| <b>RESOURCES EXPENDED</b>                                     |           |                      |                    |                         |                         |
| <b>Costs of generating funds</b>                              |           |                      |                    |                         |                         |
| Commercial trading operations                                 |           | 19,995               | -                  | 19,995                  | 14,357                  |
| <b>Charitable activities</b>                                  |           |                      |                    |                         |                         |
| General costs   |           | 1,870                | -                  | 1,870                   | 2,306                   |
| Property costs  |           | 45,526               | 13,738             | 59,264                  | 50,632                  |
| <b>Governance costs</b>                                       |           | <b>21,445</b>        | <b>-</b>           | <b>21,445</b>           | <b>16,105</b>           |
| <b>Total resources expended</b>                               |           | <b>88,836</b>        | <b>13,738</b>      | <b>102,574</b>          | <b>83,400</b>           |
| <b>NET INCOMING/(OUTGOING)<br/>RESOURCES BEFORE TRANSFERS</b> |           |                      |                    |                         |                         |
|   |           | (19,371)             | 93,528             | 74,157                  | 200,343                 |
| <b>Gross transfers between funds</b>                          | 12        | <b>65,557</b>        | <b>(65,557)</b>    | <b>-</b>                | <b>-</b>                |
| <b>Net incoming/(outgoing) resources</b>                      |           | <b>46,186</b>        | <b>27,971</b>      | <b>74,157</b>           | <b>200,343</b>          |
| <b>RECONCILIATION OF FUNDS</b>                                |           |                      |                    |                         |                         |
| <b>Total funds brought forward</b>                            |           | <b>486,545</b>       | <b>1,381,891</b>   | <b>1,868,436</b>        | <b>1,668,093</b>        |
| <b>TOTAL FUNDS CARRIED FORWARD</b>                            |           | <b>532,731</b>       | <b>1,409,862</b>   | <b>1,942,593</b>        | <b>1,868,436</b>        |

The notes form part of these financial statements

**LLANGOLLEN RAILWAY TRUST LIMITED**

**BALANCE SHEET**  
**AT 31ST DECEMBER 2013**

|  | Not<br>es | Unrestricted<br>fund<br>£ | Restricted<br>fund<br>£ | 31.12.13<br>Total funds<br>£ | 31.12.12<br>Total funds<br>£ |
|--|-----------|---------------------------|-------------------------|------------------------------|------------------------------|
| <b>FIXED ASSETS</b>                          |           |                           |                         |                              |                              |
| Tangible assets                              | 7         | 432,151                   | 1,277,194               | 1,709,345                    | 1,723,483                    |
| Investments                                  | 8         | <u>159,406</u>            | <u>106,024</u>          | <u>265,430</u>               | <u>265,430</u>               |
|  |           | 591,557                   | 1,383,218               | 1,974,775                    | 1,988,913                    |
| <b>CURRENT ASSETS</b>                        |           |                           |                         |                              |                              |
| Debtors                                      | 9         | 11,009                    | 26,644                  | 37,653                       | 23,383                       |
| Cash at bank and in hand                     |           | <u>76,535</u>             | <u>-</u>                | <u>76,535</u>                | <u>95,563</u>                |
|  |           | 87,544                    | 26,644                  | 114,188                      | 118,946                      |
| <b>CREDITORS</b>                             |           |                           |                         |                              |                              |
| Amounts falling due within one year          | 10        | <u>(146,370)</u>          | <u>-</u>                | <u>(146,370)</u>             | <u>(239,423)</u>             |
| <b>NET CURRENT ASSETS/(LIABILITIES)</b>      |           | <u>(58,826)</u>           | <u>26,644</u>           | <u>(32,182)</u>              | <u>(120,477)</u>             |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |           | <u>532,731</u>            | <u>1,409,862</u>        | <u>1,942,593</u>             | <u>1,868,436</u>             |
| <b>NET ASSETS</b>                            |           | <u><u>532,731</u></u>     | <u><u>1,409,862</u></u> | <u><u>1,942,593</u></u>      | <u><u>1,868,436</u></u>      |
| <b>FUNDS</b>                                 | 12        |                           |                         |                              |                              |
| Unrestricted funds                           |           |                           |                         | 532,731                      | 486,545                      |
| Restricted funds                             |           |                           |                         | <u>1,409,862</u>             | <u>1,381,891</u>             |
| <b>TOTAL FUNDS</b>                           |           |                           |                         | <u><u>1,942,593</u></u>      | <u><u>1,868,436</u></u>      |

The notes form part of these financial statements



LLANGOLLEN RAILWAY TRUST LIMITED

BALANCE SHEET - CONTINUED  
AT 31ST DECEMBER 2013

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2013.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st December 2013 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 14<sup>th</sup> March 2014 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'P D Lund', with a horizontal line underneath it.

P D Lund -Trustee

# LLANGOLLEN RAILWAY TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2013

### **1. ACCOUNTING POLICIES**

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

#### **Preparation of consolidated financial statements**

The financial statements contain information about Llangollen Railway Trust Limited as an individual charity and do not contain consolidated financial information as the parent of a group. The charity has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

#### **Incoming resources**

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specified that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions, which must be met before the charity has unconditional entitlement.

Income from commercial trading activities is recognised as earned as the related goods and services are provided. The amount is stated after trade discounts and other sales taxes.

Investment income is recognised on a receivable basis.

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

#### **Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Where expenses have been incurred but matched government funding has not been received the expenses are to be deferred until the matched funding has been received.

#### **Cost of generating funds**

Costs of generating funds comprise those costs directly attributable to the commercial activities of the Trust.

#### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

|                                  |                           |
|----------------------------------|---------------------------|
| Land, Buildings and Improvements | - The length of the lease |
| Plant and machinery              | - 10% on cost             |

The vintage locomotives are not depreciated.

Expenditure of a capital nature is recognised as an addition to fixed assets. All fixed assets are stated at cost.

#### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2013

**1. ACCOUNTING POLICIES - continued**

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**2. DONATIONS AND GRANTS**

|                      | 31.12.13       | 31.12.12       |
|----------------------|----------------|----------------|
|                      | £              | £              |
| Donations            | 114,684        | 62,228         |
| Gift aid             | 2,608          | 7,910          |
| Welsh Assembly Grant | <u>-</u>       | <u>133,745</u> |
|                      | <u>117,292</u> | <u>203,883</u> |

Llangollen Railway Trust Limited anticipate that during the year ended 2014 they will received a large legacy. The legacy is expected to be in the sum of £150,000.

Grants received, included in the above, are as follows:

|              | 31.12.13 | 31.12.12       |
|--------------|----------|----------------|
|              | £        | £              |
| Other grants | <u>-</u> | <u>133,745</u> |

**3. ACTIVITIES FOR GENERATING FUNDS**

|                                      | 31.12.13      | 31.12.12      |
|--------------------------------------|---------------|---------------|
|                                      | £             | £             |
| Subscriptions                        | 27,345        | 27,782        |
| Magazines, raffles & Locomotive hire | 10,479        | 29,090        |
| Holiday letting income               | <u>21,542</u> | <u>22,969</u> |
|                                      | <u>59,366</u> | <u>79,841</u> |

**4. INVESTMENT INCOME**

|  | 31.12.13  | 31.12.12  |
|--|-----------|-----------|
|  | £         | £         |
| Bank interest                          | 43        | 19        |
| Interest received on gift aid payments | <u>30</u> | <u>-</u>  |
|  | <u>73</u> | <u>19</u> |

**LLANGOLLEN RAILWAY TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST DECEMBER 2013**

**5. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

|                             | 31.12.13     | 31.12.12     |
|-----------------------------|--------------|--------------|
|                             | £            | £            |
| Depreciation - owned assets | 38,033       | 44,128       |
| Independent examiner fees   | <u>2,020</u> | <u>1,910</u> |

**6. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st December 2013 nor for the year ended 31st December 2012.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31st December 2013 nor for the year ended 31st December 2012.

**7. TANGIBLE FIXED ASSETS**

|                       | Land,<br>Buildings and<br>Improvements<br>£ | Plant and<br>machinery<br>£ | Totals<br>£      |
|-----------------------|---|-----------------------------|------------------|
| <b>COST</b>           |   |                             |                  |
| At 1st January 2013   | 1,747,847                                   | 284,019                     | 2,031,866        |
| Additions             | 66,532                                      | -                           | 66,532           |
| Disposals             | <u>(42,637)</u>                             | <u>-</u>                    | <u>(42,637)</u>  |
| At 31st December 2013 | <u>1,771,742</u>                            | <u>284,019</u>              | <u>2,055,761</u> |
| <b>DEPRECIATION</b>   |   |                             |                  |
| At 1st January 2013   | 221,798                                     | 86,585                      | 308,383          |
| Charge for year       | <u>35,226</u>                               | <u>2,807</u>                | <u>38,033</u>    |
| At 31st December 2013 | <u>257,024</u>                              | <u>89,392</u>               | <u>346,416</u>   |
| <b>NET BOOK VALUE</b> |   |                             |                  |
| At 31st December 2013 | <u>1,514,718</u>                            | <u>194,627</u>              | <u>1,709,345</u> |
| At 31st December 2012 | <u>1,526,049</u>                            | <u>197,434</u>              | <u>1,723,483</u> |

**LLANGOLLEN RAILWAY TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST DECEMBER 2013**

**8. FIXED ASSET INVESTMENTS**

|  | Shares in<br>group<br>undertakings<br>£ | Unlisted<br>investments<br>£ | Totals<br>£    |
|--|---|------------------------------|----------------|
| <b>MARKET VALUE</b>                        |   |                              |                |
| At 1st January 2013 and 31st December 2013 | <u>159,406</u>                          | <u>106,024</u>               | <u>265,430</u> |
| <b>NET BOOK VALUE</b>                      |   |                              |                |
| At 31st December 2013                      | <u>159,406</u>                          | <u>106,024</u>               | <u>265,430</u> |
| At 31st December 2012                      | <u>159,406</u>                          | <u>106,024</u>               | <u>265,430</u> |

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

**Subsidiary**

Llangollen & Corwen Railway (Trading) Limited:  
Nature of business: Hire of locomotives

|                                | %       |              |            |
|--------------------------------|---------|--------------|------------|
| Class of share:                | holding |              |            |
| Ordinary                       | 100     |              |            |
|                                |         | 31.12.13     | 31.12.12   |
|                                |         | £            | £          |
| Aggregate capital and reserves |         | 2,507        | 3,495      |
| (Loss)/profit for the year     |         | <u>(988)</u> | <u>334</u> |

**Associated company**

Llangollen Railway Plc:  
Nature of business: Heritage steam railway

|                                | %       |               |                 |
|--------------------------------|---------|---------------|-----------------|
| Class of share:                | holding |               |                 |
| Ordinary                       | 25      |               |                 |
|                                |         | 31.12.13      | 31.12.12        |
|                                |         | £             | £               |
| Aggregate capital and reserves |         | 596,840       | 545,904         |
| Profit/ (loss) for the year    |         | <u>34,410</u> | <u>(86,346)</u> |

In 2007 the Trust purchased £86,024 worth of shares in Great Western 3802 Ltd. Another £20,000 worth of shares were purchased in 2009. The total cost of the investment in Great Western 3802 Ltd at 31st December 2011 & 2012 was £106,024.

**LLANGOLLEN RAILWAY TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST DECEMBER 2013**

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | 31.12.13             | 31.12.12             |
|------------------------------------|----------------------|----------------------|
|                                    | £                    | £                    |
| Trade debtors                      | 2,016                | 10,968               |
| Amounts owed by group undertakings | 1,722                | -                    |
| Due from Llangollen Railway plc    | 24,025               | -                    |
| VAT                                | 7,063                | 4,505                |
| Prepayments and accrued income     | 208                  | -                    |
| Gift aid                           | <u>2,619</u>         | <u>7,910</u>         |
|                                    | <u><u>37,653</u></u> | <u><u>23,383</u></u> |

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | 31.12.13              | 31.12.12              |
|------------------------------------|-----------------------|-----------------------|
|                                    | £                     | £                     |
| Bank loans and overdrafts          | -                     | 28,521                |
| Trade creditors                    | 38,797                | 85,961                |
| Amounts owed to group undertakings | 105,278               | 118,409               |
| Accruals and deferred income       | <u>2,295</u>          | <u>6,532</u>          |
|                                    | <u><u>146,370</u></u> | <u><u>239,423</u></u> |

**11. SECURED DEBTS**

The following secured debts are included within creditors:

|            | 31.12.13 | 31.12.12             |
|------------|----------|----------------------|
|            | £        | £                    |
| Bank loans | <u>-</u> | <u><u>28,521</u></u> |

**12. MOVEMENT IN FUNDS**

|                           | At 1.1.13        | Net movement  | Transfers     | At 31.12.13             |
|---------------------------|------------------|---------------|---------------|-------------------------|
|                           | £                | in funds      | between funds | £                       |
|                           |                  | £             | £             |                         |
| <b>Unrestricted funds</b> |                  |               |               |                         |
| General fund              | 486,545          | (19,371)      | 65,557        | 532,731                 |
| <b>Restricted funds</b>   |                  |               |               |                         |
| Restricted funds          | 1,381,891        | 93,528        | (65,557)      | 1,409,862               |
|                           | <u>1,868,436</u> | <u>74,157</u> | <u>-</u>      | <u><u>1,942,593</u></u> |

**LLANGOLLEN RAILWAY TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST DECEMBER 2013**

**12. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement in<br>funds<br>£ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                           |
| General fund              | 69,465                     | (88,836)                   | (19,371)                  |
| <b>Restricted funds</b>   |                            |                            |                           |
| Restricted funds          | 107,266                    | (13,738)                   | 93,528                    |
|                           | <hr/>                      | <hr/>                      | <hr/>                     |
| <b>TOTAL FUNDS</b>        | <u>176,731</u>             | <u>(102,574)</u>           | <u>74,157</u>             |

**13. RELATED PARTY DISCLOSURES**

During the year ended 31st December 2013 the following transactions took place between Llangollen Railway plc, of which the Trust owns 25.9% of the share capital, and Llangollen and Corwen Railway (Trading) Limited, which is owned solely by the Trust.

As at 31st December 2013 the following balances were outstanding:

|                 | 2013<br>£ | 2012<br>£ |
|-----------------|-----------|-----------|
| Sales           | -         | 630       |
| Costs recharged | 832       | 732       |
| Expenses        | 13,557    | 238       |
| Purchases       | 13,001    | 35,895    |

|   | Debtors<br>2013<br>£ | Debtors<br>2012<br>£ | Creditors<br>2013<br>£ | Creditors<br>2012<br>£ |
|---|----------------------|----------------------|------------------------|------------------------|
| Llangollen Railway plc                          | 24,025               | -                    | 103,556                | 120,130                |
| Llangollen and Corwen Railway (Trading) Limited | 1,722                | 1,722                | -                      | -                      |

Llangollen Railway Trust Limited leased the track bed to Llangollen Railway plc in the year. The charge made to Llangollen Railway plc for this privilege was £nil (2012:£nil).

Llangollen Railway plc is a guarantor for the Trust up to a liability in sum of £125,000.

Llangollen Railway Trust Limited received a donation from Llangollen Railway Plc in the sum of £24,025 (2012:£Nil)

**14. GUARANTEES BY MEMBERS**

The company is limited by guarantee. Each member has agreed to pay £1 in the event if the charity being wound up.